

June 15, 2016

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Audit Non-Compliance Charge Edits

The North Carolina Rate Bureau (NCRB) has filed, and the North Carolina Commissioner of Insurance has approved, changes to the rules surrounding audit non-compliance charges. These aforementioned rule changes were proposed by NCCI, Item Filing Number B-1429, and were modified as appropriate for North Carolina. Please refer to NCRB's circular C-15-21 for additional details.

This circular attachment identifies the edits that will be implemented by the NCRB to validate data reported in connection with the Audit Non-Compliance endorsement and statistical code.

This filing will be effective for all new and renewal policies becoming effective on and after January 1, 2017.

Please see the document attached for details on the edits and the various elements that will be required.

Sincerely,

Jessica S Taylor, AIDM

Supervisor, Data Services and Systems  
Support

JST:dms

Attachments

C-16-10

## North Carolina Rate Bureau Audit Non-Compliance Edits

The following is a list of edits that will be implemented by the NCRB to confirm data reported complies with the Audit Non-Compliance charge:

Edit ID	Edit Message	Applicability	Finable	Type
40211	ANC statistical code 9757 has been reported with zero premium for the unit statistical report and 9757 is not allowed with premium on the policy.	Voluntary and Assigned Risk	No	Error
76034	The ANC statistical code 9757 has been reported but the ANC endorsement WC000424 has not been reported for the policy.	Voluntary	No	Error
76035	Statistical code 9757 has been reported with premium for this policy but a noncompliance has not been reported.	Assigned Risk	Yes	Error
76036	Endorsement WC000424 is required for Assigned Risk policies.	Assigned Risk	Yes	Error
40210	Endorsement WC000424 is required and cannot be removed from Assigned Risk policies.	Assigned Risk	No	Reject